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STATEMENT BY  
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PRESIDENT OF THE OWENS-CORNING FIBERGLAS CORPORATION  
BEFORE THE  
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY  
Senator Henry M. Jackson, Chairman  
May 11, 1960

My name is Harold Boeschstein. I am President of Owens-Corning Fiberglas Corporation, with general offices in Toledo, Ohio. I am here at the request of your Chairman to present my views as to the problem the Federal Government has in attracting men of outstanding ability to Government service for top national security positions; how to train them better; and how to retain them in service for longer periods of time. The opinions I express are based upon my experience in industry and my observations in various assignments related to Government under three Presidential administrations.

These include service as a member and then as Vice Chairman for Operations of the War Production Board during World War II. Subsequently in 1951-52 and again in 1954 I served as Chairman of committees created by the Business Advisory Council, at the request of the Secretaries of Commerce, to aid in obtaining competent personnel for the emergency agencies set up in the Korean war period; and later to aid particularly the Department of Defense and the Department of Commerce in recruiting individuals with character and experience for a number of important administrative and technical positions.

I should make it clear that these latter committees were advisory only to the responsible Government officials. The members functioned merely to assist officials in locating for their consideration men qualified for the job in question and, if requested, we sought to help in determining the availability of those proposed. In 1953 I also served on a committee appointed by the Secretary of the Army to study the organization of the Army and in 1958, at the request of the President, the Business Advisory Council set up a special Committee on World Economic Practices of which I served as Chairman.

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Chairman Jackson, in his letter requesting me to testify, expressed his conviction that "good policy-makers and administrators can prevail over faulty organization, whereas the best kind of organization, on paper, will still be ineffective if it is administered and staffed by people not possessing enough knowledge, experience or skill to discharge their jobs properly." With this I fully agree.

The making and execution of national policy decisions requires that key posts in a number of governmental agencies -- especially the Departments of Defense and State, the military services, the ICA, the Development Loan Fund, and critical positions in the Executive Office of the President, and the Departments of Treasury and Commerce -- be filled with experienced and able men of character. It requires also that our Government be able to put to work on key projects -- the building of an airfield in Libya, the construction of a chemical plant in India, or the extension of DEW Line -- the best talents and resources American industry has to contribute.

In short, as a nation, we must put our "first team" in the field. We must find ways of attracting and keeping able men and we must find better ways of utilizing this country's industrial, engineering, and university facilities to develop and build the weapons, missiles, the payloads, -- and to execute the major contracts overseas that constitute, in considerable part, this country's security.

Your Committee's staff has posed several guideline questions to me and the first of these ask: "How seriously has our National Security policy-making suffered through not being able to attract the right people for the right job?"

Let me make it clear at this point that I believe that in many positions we have obtained the right people. In a number of others, we have not been successful.

In my experience, there are no one or two simple pat reasons why we fail to attract more able people to important Government posts. They vary, depending upon the circumstances and attitudes of individuals.

Probably the most serious obstacle to bringing people from business and the professions into top level posts in the Federal Government arises out of the vagueness of the laws and regulations dealing with "conflicts of interest", the fear of legal reprisal for alleged or real conflicts of interest, or the gravity of personal sacrifices that are called for in order to remove any basis for allegation of the existence of a conflict of interest.

Solution may be found in the recommendation of the Special Committee on the Federal Conflicts of Interest Laws of the Association of the Bar of the City of New York. But, in any event, the present situation needs to be clarified promptly and I hope your committee will find a reasonable solution. In my own view, I do not believe we can legislate probity. Consideration could be too late should we be confronted abruptly with a major emergency.

Another deterrent for many men who might otherwise serve their government is the prospect of unwarranted abuse. The abuse I speak of may come in the form of unjustified partisan criticism by Congressional committees or in the form of extravagant assertions by selfish pressure groups. Many

business and university people with the kind of experience needed are neither accustomed to nor willing to subject themselves to this kind of treatment.

I mention this deterrent without having any very positive suggestion as to what, if anything, can be done about it. I, like you, would be reluctant to encourage any effort to curb freedom of the press or the right of Congressional committees to inquire into the operations of government. Perhaps a realistic answer is the advice voiced by a former President, who said: "If you can't stand the heat, stay out of the kitchen." -- even though this means that some able men are going to be lost to government service.

Another major hurdle for many men in private business who possess the kind of experience required for top level government jobs, is the insecurity of public employment and the inadequacy of compensation. Men climbing the ladder in a first-rate corporation or on a university faculty, with children to send to college and homes upon which payments are still being made, are understandably reluctant to give up a permanent association, along with accumulated pension rights, perhaps some opportunity for capital investment, and the requirement that he sacrifice stock investment he may have acquired for the uncertainty of a government job at government compensation.

Further than this, the kind of men we seek are usually in important and challenging positions. It is often hard to convince them that they can be more useful and effective in a government position. Hence, we find ourselves time and again looking to older and retired men, whose experience is adequate but whose vigor and imagination are not always up to the demands of a tough federal job.

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One final point I should like to make refers to the work of the Special Committee on World Economic Practices, which I have mentioned earlier. The Committee was especially concerned with the study of the Soviet economic aggression and means of countering it. Its membership counted unusually talented and experienced men including S. D. Bechtel, Frank Stanton, Eugene Holman, Henry Alexander, S. C. Allyn, Philip Reed, and Thomas Taylor. These men gave generously of their time and studied a great many aspects of the critical problem of economic warfare.

One conclusion the group came to of especial relevance to the problems of your Committee, it seems to me, is the urgent need in our overseas activities of enlisting the more effective participation of American business. We devoted a section of our report to the topic "Organization for Public-Private Partnership." Our objective was, as I have indicated earlier, to put "our first team in the field" -- to prove our capability as contrasted with the best Communists can commandeer. To do this, we pointed out that our government requires improved ways of contracting with business and engineering firms and universities to carry out many of the economic projects overseas that are important to an effective foreign policy and our national security. We need, for these tasks, a maximum use of private capital and of individual companies, universities and foundations to provide engineering and management skills and technical know-how whether the projects are financed privately, or by government, or by a combination of the two. The effort to expand private enterprise participation is beginning to make some progress and I hope this will gather momentum so that we may put our country's best foot forward in the challenge that still lies ahead of us.

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The federal government now contracts for a variety of services that are essential to its defense program as well as for foreign aid. It contracts, for example, for the design and engineering of major weapon systems; for critical research projects; and for the management of laboratories. If we are to develop a fully effective public-private partnership, there are other areas in which such contracting relationship should be developed. This is one sureway to bring to the service of government the ablest individuals and institutions this country has.